

Chairman Julius Genachowski  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, D.C.  
20554

June 17, 2011

*RE: In the Matter of applications of AT&T Inc. and Deutsche Telekom AG for consent to assign or Transfer Control of licenses and Authorizations (WT Docket No. 11-65).*

Dear Chairman Genachowski:

Actors Jimmy Smits, Sonia Braga, Esai Morales, Merel Julia, and attorney Felix Sanchez created the National Hispanic Foundation for the Arts in 1997 to advance the presence of Latinos in the media, telecommunications and entertainment industries. The Foundation has concentrated on increasing access to Hispanic artists and professionals while fostering the emergence of new Hispanic talent.

The Hispanic community, which makes up 16 percent of the U.S. population, has become the nation's largest ethnic minority group and is increasingly recognized for its potentially enormous consumer and political power. The entertainment industry has been making progress, but an enormous gap still exists before the Hispanic community – 50 million strong – is adequately reflected on stage and on both the big and small screens.

The protection of intellectual property is key to furthering our organization's mission. It's also why the foundation is supporting AT&T's bid for fellow telecommunications company T-Mobile. Through its corporate policies and internal operations, AT&T and its leadership have exhibited a commitment to safeguarding copywritten content and intellectual property such as music, movies, and images. By ensuring that its wireless networks are not used for unauthorized transmission and distribution of intellectual property, AT&T preserves the business model for the overall entertainment industry, which our membership relies upon for its livelihood. Unfortunately, in our opinion, T-Mobile's track record on IP protection has been less than adequate.

A completed AT&T and T-Mobile deal also would bring 4G LTE high-speed wireless Internet to more than 97 percent of the population, creating previously unrealized opportunities for Hispanic

artists and professionals, as well as the entire entertainment industry. It would be a winning result for consumers and the entertainment business, as new mobile device users would be able to seamlessly download and stream high-quality movies and music, and content creators, distributors and performers would be certain that their artistry was protected.

The effects of introducing new consumers to the wireless entertainment marketplace would have a profound impact in the Hispanic community, a leading adopter of mobile technology. A recent Pew Research Center survey shows that 87 percent of Hispanics own a cell phone and nearly two-thirds of the overall U.S. Hispanic population uses wireless Internet. By bringing faster download speeds and more consistent mobile device connectivity to these leading adopters, the AT&T and T-Mobile merger would create new opportunities for the entertainment industry and Hispanic consumers.

In addition, the merger of the two companies would help put tens of thousands of unemployed Americans back to work. A May 2011 study by the Economic Policy Institute estimates that a completed AT&T and T-Mobile merger would create as many as 96,000 jobs, including direct employment within the primary industries “that meet the additional demand for goods and services.” According to EPI, the proposed merger also would create secondary supporting industries, adding “induced jobs” by directing capital to local communities.

The merger also would bolster union membership in the United States, a priority of this organization. If acquired by unionized AT&T, T-Mobile’s 20,000 non-management employees would be allowed to organize alongside tens of thousands of AT&T employees represented by the Communications Workers of America. Mergers involving AT&T during the past decade increased union membership at the telecommunications company from 9,300 in 2001 to more than 43,000 today.

Most likely, consumers would also pay less for monthly mobile device bills if the Commission allows the two companies to merge. More than a decade ago, monthly cell phone bills averaged about \$120 per month. Since then, there have been five major mergers in the telecommunications industry, but monthly bills today average just more than \$60 per month.

Even more, mobile device consumers also now enjoy not only lower prices, but a variety of monthly payment options that allow for greater flexibility and budgeting power –options we expect to grow after the merger. A decade ago, cell phone subscribers had no choice but to sign two-year agreements with wireless carriers. Nowadays, “pre-paid” and “no contract” options have intensified competition for wireless consumers like never before. For example, three national wireless providers (Sprint’s Boost, Leap Cricket, and Straight Talk) offer unlimited talk and data plans today that cost \$50 per month or less – roughly half of what traditional “post-paid” providers charge.

The increased proliferation of wireless service, coupled with projected price decreases making smart devices more affordable for Americans nationwide, means after this merger it will be easier, and more profitable than ever to make a living online. More Americans toting connected devices and using them in their day-to-day activities means more people using smartphones to

make purchases online and on the go. This is good for our industry and for commerce more generally.

All of the aforementioned developments related to the AT&T and T-Mobile merger would have positive effect on the Hispanic community and the arts, which we proudly represent. We appreciate your careful consideration of this transaction and strongly request you approve this deal.

Sincerely,



Felix Sanchez  
Chairman

CC:

Commissioner Michael Copps  
Commissioner Robert McDowell  
Commissioner Mignon Clyburn